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Susan S. Masterton
Attorney

Law/External Affairs
Post Office Box 2214
1313 Blair Stone Road
Tallahassee, FL 32316-2214
Mailstop FLTLH00107
Voice 850 599 1560
Fax 850 878 0777
susan.masterton@mail.sprint.com

June 5, 2001

Ms. Blanca Bayo', Director
Division of Records and Reporting
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

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RE: Sprint's Prehearing Statement in Docket #000075-TP (Phase II)

Dear Ms. Bayo':

On May 31, 2001, Sprint filed its Prehearing Statement in Phase II of the above-referenced docket.

Attached is the original and 15 copies of a revised Prehearing Statement, corrected to reflect the revisions to the issues set forth in Order No. PSC-01-0632-PCO-TP and to correct typographical errors. A copy of this letter and the revised Prehearing Statement has been served on the parties pursuant to the attached certificate of service.

Please acknowledge receipt of this filing by stamping and initialing a copy of this letter and returning same to the courier. If you have any questions, please do not hesitate to call me at 850/599-1560.

Sincerely,

Susan S. Masterton

Enclosure

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FPSC-RECORDS/REPORTING 000775

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Investigation into) DOCKET NO. 000075-TP
Appropriate Methods to)
Compensate Carriers for) Filed: May 31, 2001
Exchange of Traffic Subject to) (Revised June 5, 2001)
Section 251 of the)
Telecommunications Act of 1996)
_____)

SPRINT'S PREHEARING STATEMENT

Pursuant to Orders Establishing Procedure (Order No. PSC-00-2229-PCO-TP, Order No. PSC-00-2350-PCO-TP, Order No. PSC-00-2452-PCO-TP and Order No. PSC-01-0632-PCO-TP) Sprint-Florida, Incorporated and Sprint Communications Company Limited Partnership (collectively, "Sprint") file this Prehearing Statement in Phase II of this proceeding:

A. **WITNESSES:** Sprint proposes to call the following witnesses to offer testimony in this docket:

WITNESS:	ISSUES:
Michael R. Hunsucker (Direct and Rebuttal)	10-17

Sprint has listed the witnesses for whom Sprint believes testimony will be filed, but reserves the right to supplement that list if necessary.

B. **EXHIBITS:** Sprint has filed no exhibits at this time, but reserves the right to file exhibits if necessary and to introduce exhibits for cross-examination, impeachments, or

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any other purpose authorized by the applicable Florida Rules of Evidence and Rules of this Commission.

C. **BASIC POSITION:** The Commission has jurisdiction to specify the rates, terms and conditions governing compensation for transport and delivery of local traffic pursuant to federal and state law. The Commission should follow the reciprocal compensation procedures already established by the FCC. Sprint's positions on the specific issues in this docket are consistent with the Telecommunications Act and the FCC's rules and regulations adopted pursuant to the Act. Therefore, the Commission should adopt Sprint's position on each of these issues.

D-G. **ISSUES AND POSITIONS:**

ISSUE 10: Pursuant to the Telecommunications Act of 1996 (Act), the FCC's rules and orders, and Florida Statutes, what is the Commission's jurisdiction to specify the rates, terms and conditions governing compensation for transport and delivery or termination of traffic subject to section 251 of the Act? (Legal Issue)

Position: The FCC has jurisdiction to establish rules governing the rates, terms and conditions for the transport and termination of local traffic, pursuant to the Act and U.S. Supreme Court decisions interpreting the Act. The Commission has the jurisdiction to implement the FCC rules and apply any FCC-required methodologies in establishing the actual rates, terms and conditions for the transport and termination of local traffic. The only limitation imposed on state commissions by the FCC is that their actions must not conflict with the federal rules.

The Commission also has jurisdiction under sections 364.161 and 364.162, Florida Statutes, to arbitrate disputes relating to negotiations by telecommunications companies to

establish the rates, terms and conditions of interconnection and the unbundling of network elements.

ISSUE 11: What types of local network architecture are currently employed by ILECs and ALECs, and what factors affect its choice of architectures? (Informational Issue)

Position: Much of what drives Sprint ILEC's local network architectural decisions today is the need for additional ports for trunks and pair gains. Sprint's ALEC network architecture is based on forecasted traffic.

ISSUE 12: Pursuant to the Act and FCC's rules and orders:

- (a) Under what conditions, if any, is an ALEC entitled to be compensated at the ILEC's tandem interconnection rate?**
- (b) Under either a one-prong or two-prong test, what is "similar functionality?"**
- (c) Under either a one-prong or two-prong test, what is "comparable geographic area?"**

Position: (a) There are two scenarios in which the FCC rules afford ALECs compensation at the ILEC's tandem interconnection rate: 1) when the ALEC switch utilizes a tandem or "equivalent facility" under FCC Rule 51.701 (c); or 2) when the ALEC switch serves a "comparable geographic area" consistent with FCC Rule 51.711 (a) (3).

(b) Sprint contends that an ALEC switch performs "functions similar to those performed by an incumbent LEC's tandem switch" if the switch is capable of trunk to trunk connectivity and has the necessary software activated in the switch to perform the actual tandem function.

(c) Sprint maintains that the ALEC must in fact hold itself out to serve customers in the geographic area served by the ILEC tandem absent any technical feasibility limitations, in order to satisfy the "comparable geographic area" criteria found in Rule 51.711(a). Sprint does not believe that "comparable" means identical, but rather similar. In that light, Sprint suggests that

the Commission not adopt a specific metric, but rather, resolve any dispute on a case-by-case basis.

ISSUE 13: How should a “local calling area” be defined, for purposes of determining the applicability of reciprocal compensation?

Position: The ILEC’s local calling scope, including mandatory EAS, should define that appropriate local calling scope for reciprocal compensation purposes for wireline carriers. This should not affect the ability of the ALEC to designate its own flat-rated calling scope for its retail services provided to its end users customers.

**ISSUE 14: (a) What are the responsibilities of an originating local carrier to transport its traffic to another local carrier?
(b) For each responsibility identified in part (a), what form of compensation, if any, should apply?**

Position: (a) It is the responsibility of the originating carrier to transport its traffic to the Point of Interconnection (POI) where it will be delivered to the terminating carrier. The ALEC has the right to designate the location of this POI for both the receipt and delivery of local traffic with the ILEC at any technically feasible location within the ILEC’s network.

(b) BellSouth has proposed a compensation mechanism that assigns responsibility between the ILEC and the ALEC based on a combination of the minutes of traffic transported and the distance between the local calling area and the ALEC’s point of interconnection. Sprint has proposed modifications to BellSouth’s proposal that clarify that the ALEC has the right to determine the point of interconnection and that no more than one point of interconnection per local calling area may be required. Sprint believes that the BellSouth proposal, coupled with the

Sprint proposed modifications, provide a reasonable compromise that Sprint can accept, both as an ILEC and an ALEC in Florida.

ISSUE 15: (a) Under what conditions, if any, may carriers assign telephone numbers to end users outside the rate center in which the telephone number is homed?

(b) Should the intercarrier compensation mechanism for calls to these telephone numbers be based upon the physical location of the customer, the rate center to which the telephone number is homed, or some other criterion?

Position: (a) Carriers should be permitted to assign NPA/NXX codes to end users outside the rate center in which the NPA/NXX is homed.

(b) It should be the responsibility of the originating carrier to deliver its traffic to the rate center in which the NPA/NXX is homed.

**ISSUE 16: (a) What is the definition of Internet Protocol (IP) telephony?
(b) What carrier-to-carrier compensation mechanism, if any, should apply to IP telephony?**

Position: (a) Paragraph 84 of the FCC's April 1998 USF Order (FCC-98-67) defines IP telephony services as services that "enable real-time voice transmission using Internet protocols." IP telephony services may be generally classified into one of three categories: computer-to-computer, phone-to-phone and computer-to-phone.

In the case of computer-to-computer IP telephony, the FCC has ruled that the Internet service provider is providing "information services" that are not "telecommunications to its subscribers." With phone-to-phone IP telephony, the IP telephony provider simply creates a virtual transmission path between points on the public switched network over a packet-switched IP network. Computer-to-phone IP telephony provides the same functionality as phone-to-phone

IP telephony. While some circuit switches that are evolving into packet switches using ATM or IP to transmit voice and data, service provided by this equipment should not be considered IP Telephony and should be treated like circuit-switched telephony is treated today.

(b) Computer-to-computer IP telephone routed through an Internet Service Provider is information services not local telecommunications services. All other IP telephony traffic should be subject to the same compensation mechanisms as voice traffic.

ISSUE 17: Should the Commission establish compensation mechanisms governing the transport and delivery or termination of traffic subject to Section 251 of Act to be used in the absence of the parties reaching an agreement or negotiating a compensation mechanism? If so, what should be the mechanisms?

Position: Yes. The Commission should follow the reciprocal compensation procedures already established by the FCC.

ISSUE 18: How should the policies established in this docket be implemented?

Position: Any policies established in this docket should be implemented through negotiation and amendment of new and existing interconnection agreements.

H. **STIPULATIONS:** None.

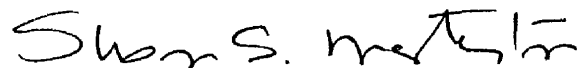
I. **PENDING MOTIONS:** Sprint has no motions pending at this time.

J. **COMPLIANCE WITH ORDER ON PREHEARING PROCEDURE:** Sprint does not know of any requirement of the Order on Prehearing Procedure with which it cannot comply.

K. **DECISIONS THAT MAY IMPACT COMMISSION'S RESOLUTION OF ISSUES:**

The FCC's recently issued its Order on ISP reciprocal compensation, Federal Communications Commission's Order on Remand and Report and Order, FCC 01-131, *In the matter of Implementation of the Local Competition Provisions of the Telecommunications Act of 1996; Intercarrier Compensation for ISP-Bound Traffic*, CC Docket Nos. 96-98, 99-68 (released April 27, 2001). In addition, the FCC has issued a Notice of Proposed Rulemaking to address intercarrier compensation issues generally, *Developing a Unified Intercarrier Compensation Regime*, CC Docket No. 01-92.

RESPECTFULLY SUBMITTED this 31st day of May 2001.



SUSAN S. MASTERTON
P.O. Box 2214
Tallahassee, FL 32316-2214
(850) 599-1560

ATTORNEY FOR SPRINT

*CERTIFICATE OF SERVICE
DOCKET NO. 000075-TP (Phase II)*

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail this 5th day of June, 2001 to the following:

*Nancy B. White/James Meza II
c/o Nancy H. Sims
BellSouth
Telecommunications, Inc.
150 S. Monroe Street, Suite 400
Tallahassee, Florida 32302*

*Floyd Self
Messer Law Firm
Post Office Box 1876
Tallahassee, Florida 32302*

*AT&T
Tracy Hatch, Esq.
101 North Monroe Street
Suite 700
Tallahassee, Florida 32301-1549*

*Michael Gross
Florida Cable Telecommunication
Assoc.
246 East 6th Avenue
Tallahassee, Florida 32303*

*Cox Communications
Ms. Jill N. Butler
4585 Village Avenue
Norfolk, VA 23502-2035*

*Kimberly Caswell
Verizon
P.O. Box 110, FLTC0007
Tampa, Florida 33601-0110*

*e.spire Communications, Inc.
James C. Falvey, Esq.
131 National Business Parkway
Suite 100
Annapolis Junction, MD 20701*

*Focal Communications
Corporation of Florida
Mr. Paul Rebey
200 North LaSalle Street,
Suite 1100
Chicago, IL 60601-1914*

*Gerry Law Firm
Charles Hudak/Ronald V. Jackson
3 Ravinia Dr., #1450
Atlanta, GA 30346-2131*

*Global NAPS, Inc.
10 Merrymount Road
Quincy, MA 02169*

*Intermedia Communications, Inc.
Mr. Scott Sapperstein
3625 Queen Palm Drive
Tampa, FL 33619-1309*

*BroadBand Office
Communications, Inc.
Mr. Woody Traylor
2900 Telestar Court
Falls Church, VA 22042-1206*

*Katz, Kutter Law Firm
Charles Pellegrini/
Patrick Wiggins
12th Floor
106 East College Avenue
Tallahassee, FL 32301*

*Kelley Law Firm
Genevieve Morelli
1200 19th St. NW, Suite 500
Washington, DC 20036*

*KMC Telecom, Inc.
Mr. John McLaughlin
1755 North Brown Road
Lawrenceville, GA 33096*

*Landers Law Firm
Scheffel Wright
P.O. Box 271
Tallahassee, FL 32302*

*Level 3 Communications, LLC
Michael R. Romano, Esq.
1025 Eldorado Blvd.
Bloomfield, CO 80021-8869*

*MCI WorldCom
Ms. Donna C. McNulty
325 John Knox Road, Suite 105
Tallahassee, FL 32303-4131*

*McWhirter Law Firm
Vicki Kaufman
117 S. Gadsden St.
Tallahassee, FL 32301*

*Messer Law Firm
Norman Horton, Jr.
215 S. Monroe Street, Suite 701
Tallahassee, FL 32301-1876*

*Moyle Law Firm(Tall)
Jon Moyle/Cathy Sellers
The Perkins House
118 North Gadsden Street
Tallahassee, FL 32301*

*Orlando Telephone Company
Herb Bornack
4558 S.W. 35th Street, Suite 100
Orlando, FL 32811-6541*

*Pennington Law Firm
Peter Dunbar/Karen Camechis
P.O. Box 10095
Tallahassee, FL 32302-2095*

*Supra Telecom
Doris M. Franklin/Mark Buechele
1311 Executive Center Drive,
Suite 200
Tallahassee, FL 32301*

*US LEC of Florida Inc.
Wanda Montano
401 North Tryon Street,
Suite 1000
Charlotte, NC 28202*

*Felicia Banks, Esq.
Florida Public Service
Commission
2540 Shumard Oak Blvd,
Tallahassee, Florida 32399-0850*

*Kenneth A. Hoffman, Esq.
Stephen A. Ecenia, Esq.
Rutledge, Ecenia, Purnell &
Hoffman, P.A.
Post Office Box 551
Tallahassee, Florida 32302*

-

*Allegiance Telecom
Morton Posner, Esq.
1150 Connecticut Avenue, N.W.
Suite 205
Washington, DC 20036*

*Allegiance Telecom, Inc.
Elizabeth Howland, Esq.
1950 Stemmons Freeway,
Suite 3026
Dallas, TX 75207-3118*

*Ausley Law Firm
Jeffrey Wahlen
P.O. Box 391
Tallahassee, FL 32302*

*Intermedia Communications, Inc.
Mr. Scott Sapperstein
One Intermedia Way
MC FLT-HQ3
Tampa, FL 33647-1752*

*Time Warner Telecom of
Florida, L.P.
Carolyn Marek
233 Bramerton Court
Franklin, TN 37069*

*XO Communications, Inc.
Dana Shaffer
105 Molly Street, Suite 300
Nashville, TN 37201-2315*



Susan S. Masterton